

**REMARKS**

Claims 1-22 and 24 were presented for examination in the present application. The instant amendment adds new claims 25-32. Thus, claims 1-22 and 24-32 are presented for consideration upon entry of the instant amendment. Claims 1 and 18 are independent.

Claim 18 was objected to as being an improper independent claim. Claim 18 has been amended to obviate this objection. It is submitted that this amendment merely makes explicit what had been implicit in the claim. Accordingly, reconsideration and withdrawal of the objection to claim 18 are respectfully requested.

Claims 11 and 24 were rejected under 35 U.S.C. §112, second paragraph as using improper Markush format. Applicants respectfully disagree.

None the less, and merely in the interest of expediting prosecution, claims 11 and 24 have been amended to remove the Markush recitals. Claims 25-29 have been added to recite the alternate elements removed from claim 11. Similarly, claims 30-32 have been added to recite the alternate elements removed from claim 24. Accordingly, reconsideration and withdrawal of the rejection to claims 11 and 24 are respectfully requested.

Independent claims 1 and 18, as well as dependent claims 2-10, 19-22, and 24, were rejected under 35 U.S.C. §103(a) over U.S. Publication No. 2003/0104176 to Schwenk et al. (Schwenk) or U.S. Patent No. 4,290,630 to Lee (Lee). Dependent claims 11-17 were rejected under 35 U.S.C. §103(a) over Schwenk or Lee in further view of U.S. Patent No. 6,471,247 to Hardwick (Hardwick).

Applicants respectfully traverse these rejections.

Independent claims 1 and 18 each recite, in part, "at least two elongate security

**elements** (emphasis added)".

Applicants submit that the Office Action has misconstrued the teachings of Schwenk and Lee.

Schwenk discloses a band of security paper having areas 5a, 5b, 5c incorporating mottled fibres. See paragraph [0036]. Schwenk discloses that the purpose of the different fibres is to form a machine readable code and indicates that the mottled fibres are to appear "*as little possible under visual observation of the security document*". See paragraph [0013]

In contrast, claims 1 and 18 recite security elements that provide improved public security by providing visual identifiable security elements and the widths of the security elements and the gaps between are especially selected to increase the visibility of them. Clearly, the fibers of Schwenk merely form part of the substrate itself and are not elongate security elements as is required in claims 1 and 18.

Lee merely discloses the different shapes of a single thread that can be used, but there is no disclosure of more than one thread in a single document. Figures 5 to 8 show examples of the banknote and these all contain a single thread 2, which has different edge shapings on either side. However, none of the embodiments disclosed or suggested by Lee includes at least two elongate security elements as recited by claims 1 and 18.

Furthermore, independent claims 1 and 18 each recite, in part, that the at least two elongate security elements each have "a width of less **than or equal to 6mm**", run substantially parallel to each other with "a gap therebetween of **no greater than 10mm**", and occupy along with the gap "a zone that has a total cross-directional width that is **less than or equal to 18mm**" (emphasis added).

The Office Action acknowledges that Schwenk and Lee fail to disclose the

claimed ranges. Rather the Office Action asserts that the claimed ranges would be obvious to those skilled in the art.

Applicants respectfully traverse this assertion.

The question of obviousness is resolved on the basis of underlying factual determinations including (1) the scope and content of the prior art, (2) any differences between the claimed subject matter and the prior art, (3) the level of skill in the art, and (4) where in evidence, so-called secondary considerations. *Graham v. John Deere Co.*, 383 U.S. 1, 17-18 (1966). See also *KSR International Co. v. Teleflex Inc.*, 127 S. Ct. 1727, 1734 ("While the sequence of these questions might be reordered in any particular case, the [*Graham*] factors continue to define the inquiry that controls.")

Applicants respectfully submit that the Office Action has failed to meet its burden of establishing a *prima facie* case of obviousness because the Office Action has failed to determine the level of skill in the art. Accordingly, the Office Action has failed to establish the underlying factual determinations as to the level of skill in the art such that the conclusion that the ranges would be obvious to such a person is clearly unfounded.

Further, the Office Action has presented no line of reasoning, and we know of none, as to who one skilled in the art is or why that person viewing the collective teachings of Schwenk and Lee would have found it obvious to selectively pick and choose various widths, gaps, and zones to arrive at the claimed invention. Rather, Applicants submit that the unsubstantiated conclusions of the Office Action support the inescapable conclusion that the Office Action has simply pieced the references together to support a rejection on the basis of hindsight.

Furthermore, Applicants submit that the claimed combination does much more than yield predictable results. The present application discloses that:

It has been found that, by placing two discrete security elements in close proximity within a document provides significant public security benefits over wide, twisted, braided or woven security element constructions.

Surprisingly when two or more security elements are placed side by side they dramatically increase the overall visual impact of the security elements compared to having a single security element, even if that single security element is as wide as the combined width of the security elements in close proximity to one another. See page 4, lines 14-22.

Thus, the claimed widths, gaps, and zones have been very carefully selected to provide the intended visual impact, where the cited art fails to recognize these variables as being necessary for such a result.

The Office Action fails to assert that Hardwick cures the aforementioned deficiencies present in Schwenk and Lee.

Accordingly, Applicants submit that the Office Action has failed to establish that the prior art discloses two security elements, has failed to establish a *prima facie* case of obviousness, and has failed to establish or even assert that the combination recited by claims 1 and 18 does not produce new and unpredictable results. As such, Applicants submit that claims 1 and 18, as well as claims 2-17, 19-22, and 24 that depend therefrom are allowable over the proposed combination of cited art. Reconsideration and withdrawal of the rejection to claims 1-22 and 24 are respectfully requested.

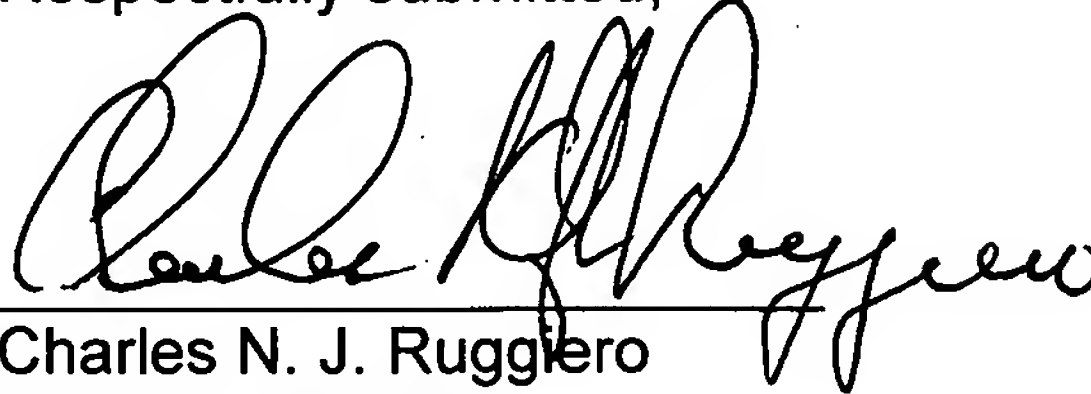
In addition, Applicants submit that the Office Action failed to make a *prima facie* case of obviousness of claims 1-22 and 24 in view of the cited art. Thus, it is respectfully submitted that any action finally rejecting claims 1-22 and 24 over the cited art alone would be premature in light of the Office Action's failure to present a *prima facie* case of obviousness.

In view of the above, it is respectfully submitted that the present application is in condition for allowance. Such action is solicited.

If for any reason the Examiner feels that consultation with Applicants' attorney would be helpful in the advancement of the prosecution, the Examiner is invited to call the telephone number below.

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Respectfully submitted,

A handwritten signature in black ink, appearing to read "Charles N. J. Ruggiero", written over a horizontal line.

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